



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/757,722	01/08/2001	Bob Francis	LGB/003	8367
1473 7590 12/11/2007 ROPES & GRAY LLP PATENT DOCKETING 39/361 1211 AVENUE OF THE AMERICAS NEW YORK, NY 10036-8704			EXAMINER HAVAN, THU THAO	
			ART UNIT 3693	PAPER NUMBER
			MAIL DATE 12/11/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 09/757,722	Applicant(s) FRANCIS ET AL.	
	Examiner Thu Thao Havan	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE three MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 October 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-10, 12-23 and 25-28 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10, 12-23, and 25-28 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

Claims 1-10, 12-23, and 25-28 are pending. This action is in response to the RCE received October 19, 2007. Examiner noticed that the remarks of May 14, 2007 are similar to the remarks of October 19, 2007. Thus, Examiner maintains the previous response as restated below.

Response to Arguments

The rejection of claims 1-10, 12-23, and 25-28 under 35 U.S.C. 103(a) as being unpatentable by Friedland et al. (US 6,449,601) and Rackson et al. (US 6,415,270) is maintained.

Upon a closer examination, Applicant's arguments filed October 19, 2007 have been fully considered but they are not persuasive.

In response to the arguments concerning the previously rejected claims the following comments are made:

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Applicant alleges that the prior art made of record fails to teach prebids in advance of a live auction. The examiner disagrees with applicant's representative since

Friedland teaches prebids in advance of a live auction when he discloses preliminary bidding in a live auction (col. 6, lines 14-52). He discloses the process in the pre-bid state wherein preliminary bids are accepted for the lot, prior to the lot becoming active during the auction, from remote bidders via transition. These pre-bids trigger the activation of a bidding agent that automatically produces bids after the lot transitions to the state "open for bidding", discussed below, until either the pre-bidder wins, or the high bid exceeds the pre-bidder's bid value .

In addition, Applicant alleges that the prior art made of record fails to teach a maximum prebid amount, and wherein at least one of said prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount. The examiner disagrees with applicant's representative since Rackson teaches a maximum amount ...amount in addition to the maximum... amount when he discloses bidders place bids for the maximum price they would pay for a quantity of the items (col. 6, line 44 to col. 7, line 36; col. 22, line 26 to col. 24, line 55; figs. 4-9). He discloses the multi-auction service may recommend that the bidder forego bidding on items where current bidders tend to drive prices above the multi-auction bidder specified value maximum price where the top final bid is predicted to be higher than bidder's specified maximum bid. In that, a maximum price may be established if one or more items are desired and the bidder may specify an average price for the quantity desired where the multi-auction service contacts one or more remote auction services to place bids for one item, two or more of the same items, or similar items where relative value may be placed on the items searched for and bid upon

With regards to the claims rejected as taught by Friedland and Rackson, the examiner would like to point out that the reference teaches the claimed limitations and thus provides adequate support for the claimed limitations. Therefore, the examiner maintains that Friedland and Rackson taught the claimed limitations.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims **1-10, 12-23, and 25-28** are rejected under 35 U.S.C. 103(a) as being unpatentable over Friedland et al. (US 6,449,601) in view of Rackson et al. (US 6,415,270).

Re claims **1** and **13**, Friedland teaches a method of accepting prebids in advance of a live auction (col. 6, lines 14-15), said method comprising:

- a) providing a prebid web site (col. 6, lines 17-22) system to accept prebids (fig. 2, element 206), said web site system including a merchandise database of information pertaining to auction lots to be sold in live auctions and a prebid database in which the details of prebids received in respect of said auction lots can be stored (figs. 3 and 4);
- b) using said web site system to accept prebids in respect of an auction lot (fig. 5-6) by:

i) allowing bidders to transmit prebids from bidder computers to said web site system within a specified time frame, wherein each prebid transmitted includes a maximum prebid amount (fig. 7, element 724);

ii) recording said prebids in said prebid database (col. 8, lines 51-67; fig. 14, element 1410);

iii) upon expiry of said specified time frame accepting no further prebids and selecting the winning prebid (col. 6, lines 55-66); and

iv) submitting said winning prebid from the prebid database to the live auction of said auction lot (col. 6, lines 14-67). *In other words, Friedland discloses prebid via an internet. Once the prebid is implemented than a live auction is taken place. The prebid information is stored in a database wherein the bidder selected particular categories of lots. Also, a transition from the active state to the inactive state may occur upon the expiration of a defined bidding period or, in other words, via a timeout.*

However, Friedland does not explicitly teach wherein each prebid transmitted includes a maximum prebid amount and wherein at least one of prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount. On the other hand, Rackson discloses wherein each prebid transmitted includes a maximum prebid amount and wherein at least one of prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount when he discloses bidders place bids for the maximum price they would pay for a quantity of the items (col. 6, line 44 to col. 7, line 36; col. 22, line 26 to col. 24, line 55; figs. 4-9). Rackson discloses the competing bidders are operating under control of a programmed bidding strategy where the maximum

bid for the bidder may be determined from their prior bid activity. He also discloses the multi-auction service may recommend that the bidder forego bidding on items where current bidders tend to drive prices above the multi-auction bidder specified value maximum price where the top final bid is predicted to be higher than bidder's specified maximum bid. Thus, it would have been obvious to one of ordinary skill in the art to implement the step of each prebid transmitted includes a maximum prebid amount and wherein at least one of prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount when live auction criteria may be inputted (i.e. a flexible prebid) such as maximum price (similar to a reverse reserve price) as discloses in Rackson.

Re claims **2** and **14**, Friedland teaches winning prebid in respect of an auction lot is the prebid with the highest maximum prebid amount (col. 7, lines 1-20; fig. 10 (element 1016)). *Friedland chooses highest maximum prebid amount by choosing the bidder with the highest bid.*

Re claims **3-5** and **15-17**, Friedland teaches live auction is a physical auction and an online auction and wherein live auction is a combined physical and online auction (fig. 3). *In figure 3, Friedland discloses both online auction and a physical auction.*

Re claims **6-7, 18, 20-21**, and **25**, Friedland teaches a bidder is only allowed to submit one prebid in respect of each auction lot and a bidder is able to submit more than one prebid in respect of each auction lot (col. 12, line 42 to col. 13, line 14).

Re claims **8-10, 19**, and **26**, Friedland teaches prebid web site system is operatively connected to said online auction, and wherein said winning prebid is automatically submitted to the live auction, winning prebid comprises manually entering said winning

prebid into said physical auction sale, prebid web site system is operatively connected to said online auction, and wherein said winning prebid is automatically submitted to said live auction (col. 14, line 44 to col. 15, line 21).

Re claims **11-12** and **24**, Friedland teaches a prebid can optionally include an opening prebid amount in addition to the maximum prebid amount and no two prebids are allowed to have the same maximum prebid amount (col. 6, line 53 to col. 7, line 20). *Friedland discloses the highest prebid amount as the maximum prebid amount.*

Re claims **22-23**, Friedland teaches prebid control system allows a bidder to view information from the merchandise database from their bidder computer and prebid control system allows a bidder to view information from the prebid database from their bidder computer (figs. 3, 5, and 9). *In figures 3, 5, and 9, Friedland's system permits a bidder to view information as claimed in the limitations.*

Re claims **27-28**, Friedland and X teach a method as claimed in claims 1 and 13. Therefore the rationale applied in the rejection of claims 1 and 13 applies herein.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thu Thao Havan whose telephone number is (571) 272-8111. The examiner can normally be reached during her flextime schedule.

Application/Control Number:
09/757,722
Art Unit: 3693

Page 8

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct-uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at (866) 217-9197 (toll-free).



Thu Thao Havan
Art Unit: 3693
12/3/2007